

# Consumption and Sumptuary

Beer Tax	Lottery Profits
Cigarette Tax	Motor Vehicle Fee
Driver's License Fees	Tobacco Tax
Liquor Excise & License Tax	Video Gambling Tax
Liquor Profits	Wine Tax



**Legislative Fiscal Division**



[www.leg.state.mt.us/fiscal/](http://www.leg.state.mt.us/fiscal/)



# Legislative Fiscal Division

## Revenue Estimate Profile

### Beer Tax

**Revenue Description:** A tax of \$4.30 is levied on each barrel of beer produced in or imported into Montana. A small portion of the revenue from the beer license tax is returned to Indian tribes per an agreement between the Department of Revenue and the tribes.

**Applicable Tax Rate(s):** \$4.30/barrel of beer

**Distribution:** Beer tax revenue is distributed:

\$1.00 (23.3%) - DPHHS Alcohol Account

\$ .50 (11.6%) - General Fund

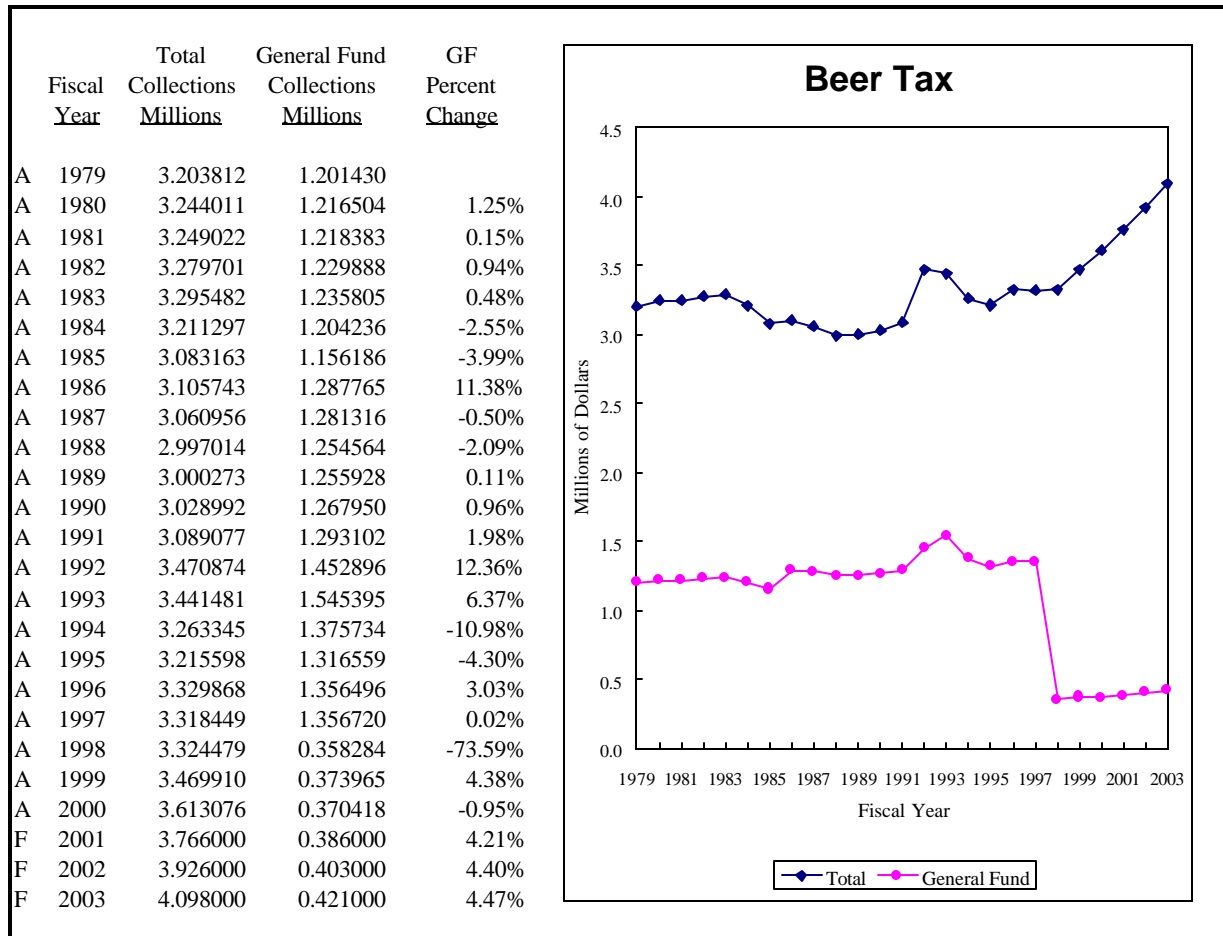
\$2.80 (65.1%) - Cities and Towns

The general fund portion is reduced by the amount of the tribal distribution.

**Statute:** Title 16, Chapter 1, MCA

**% of Total FY 2000 General Fund Revenue:** 0.03%

#### Revenue Projection:



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## Legislative Fiscal Division

### Revenue Estimate Profile

#### Beer Tax

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Barrels	Tax Rate	GF Percent	Tribal
	Fiscal	Millions	Millions	Millions	Per Barrel	Allocation	Millions
Actual	2000	3.613076	0.370418	0.840250	4.300000	0.116283	0.049723
Forecast	2001	3.766000	0.386000	0.875877	4.300000	0.116279	0.052000
Forecast	2002	3.926000	0.403000	0.912955	4.300000	0.116279	0.054000
Forecast	2003	4.098000	0.421000	0.953040	4.300000	0.116279	0.056000

# Legislative Fiscal Division

## Revenue Estimate Profile

### Cigarette Tax

**Revenue Description:** The cigarette tax is an excise tax imposed on all cigarettes sold or possessed in Montana. The tax is imposed on the retail consumer, but is collected by wholesalers or retailers through the use of tax insignia. The insignia are purchased from the state and affixed to each package of cigarettes. The tax does not apply to quota cigarettes sold on an Indian reservation. In practice, the tax is levied on all cigarettes and the wholesaler receives a refund for the amount within the quota that has been sold within the boundaries of an Indian reservation. Each tribe's quota is equal to 150.0 percent of the national average for individual consumption of cigarettes multiplied by the enrolled tribal member population, or any other amount agreed to in a state-tribal agreement. The state has agreements with five tribes in Montana.

**Applicable Tax Rate(s):** Wholesalers pay a license fee of \$50.00 and each retailer pays a license fee of \$5.00. License fees are renewable each year and are non-transferable. The excise tax on cigarettes is \$0.18 per twenty-cigarette pack. When a pack contains more than 20 cigarettes, the tax is prorated at 1/20th of \$0.18 for each cigarette in excess of 20 cigarettes.

**Distribution:** All wholesaler and retailer license fees are deposited in the general fund. After deductions for tribal refunds, the cigarette tax is distributed:

11.11% - DPHHS for veterans' nursing home operation and maintenance

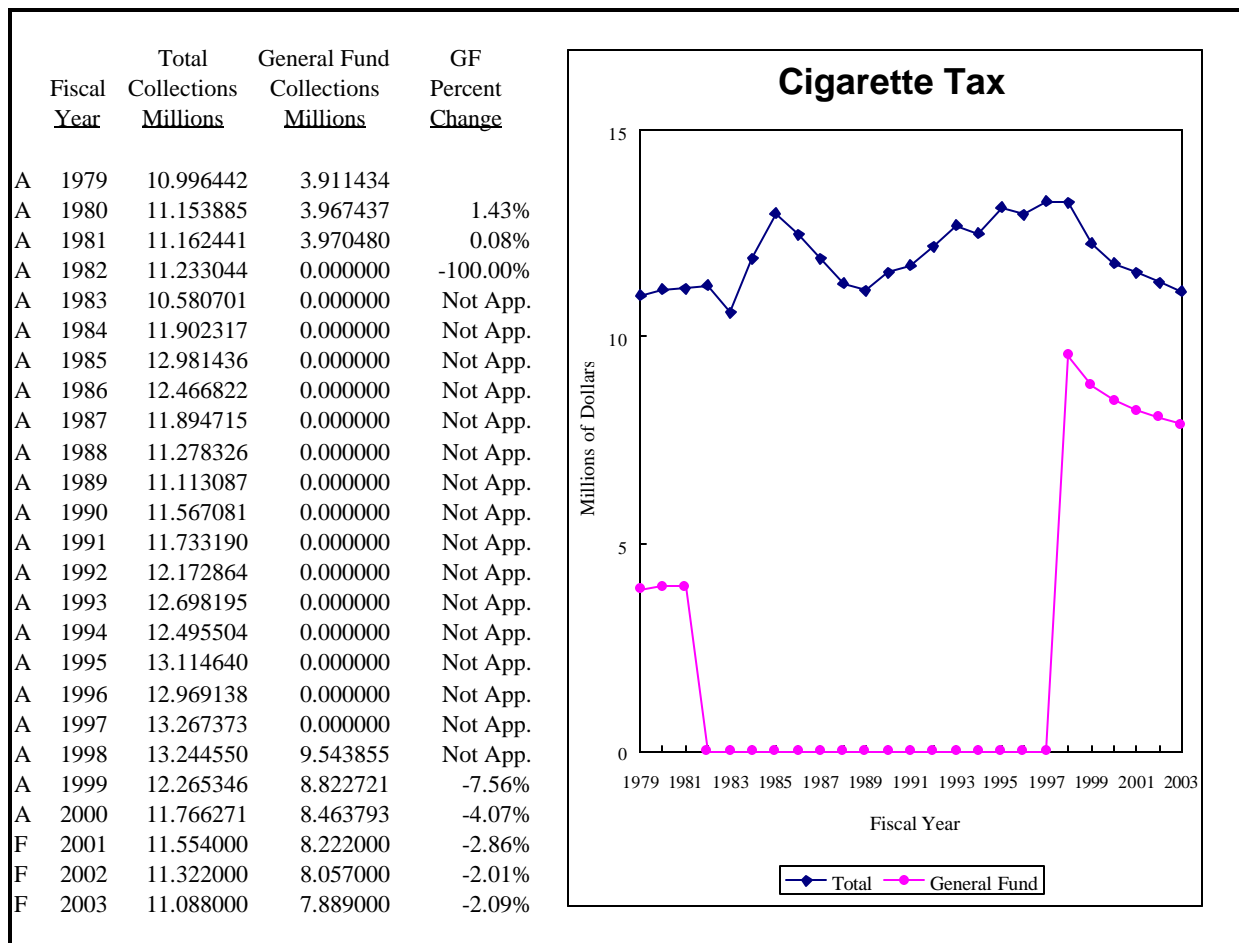
73.04% - General Fund

15.85% - Long-Range Building Program

**Statute:** Title 16, Chapter 11, MCA

**% of Total FY 2000 General Fund Revenue:** 0.73%

#### Revenue Projection:



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## Legislative Fiscal Division

### Revenue Estimate Profile

#### Cigarette Tax

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Pack	ETR	GF Percent	Tribal
	Fiscal	Millions	Millions	Millions	Per Pack	Allocation	Millions
Actual	2000	11.766271	8.463793	71.801052	0.163873	0.719327	0.178384
Forecast	2001	11.554000	8.222000	70.504453	0.163873	0.730400	0.296594
Forecast	2002	11.322000	8.057000	69.088253	0.163873	0.730400	0.291429
Forecast	2003	11.088000	7.889000	67.664813	0.163873	0.730400	0.286554

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## Legislative Fiscal Division

### Revenue Estimate Profile

#### Driver's License Fees

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**Revenue Description:** A resident of Montana must have a valid driver's license to operate a motor vehicle on any highway in the state. A driver's license is issued only if the applicant passes specified examinations and pays a fee. The fees are collected by Department of Justice, Motor Vehicle Division staff or county treasurers and are forwarded to the state treasurer for deposit. The fees included in this source are from regular driver's licenses, commercial driver's licenses, motorcycle endorsements, and duplicate driver's licenses.

**Applicable Tax Rate(s):** Driver's license fees are:

- ?? driver's license, except a commercial driver's license - \$4.00 per year or fraction of a year
- ?? motorcycle endorsement - \$0.50 per year or fraction of a year
- ?? commercial driver's licenses:
  - interstate - \$5.00 per year or fraction of a year
  - intrastate - \$3.50 per year or fraction of a year
  - duplicate license - \$5.00

**Distribution:** The distribution of license fee revenue varies by the type of license. The table below shows the current statutory distribution. Note: the portion allocated to counties applies only when the county collects the fee. Otherwise, the county allocation is added to the general fund distribution.

Distribution of Driver's License Fees				
Recipient	Driver's License	Duplicate License	Motorcycle Endorsement	Commercial
				Driver's License
Montana Highway Patrol	16.70%	25.00%	0.00%	0.00%
Counties or DOJ	2.50%	3.75%	3.34%	2.50%
Traffic Education Account	26.25%	8.75%	63.46%	0.00%
General Fund	<u>54.55%</u>	<u>62.50%</u>	<u>33.20%</u>	<u>97.50%</u>
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

**Statute:** Title 61, Chapter 5, MCA

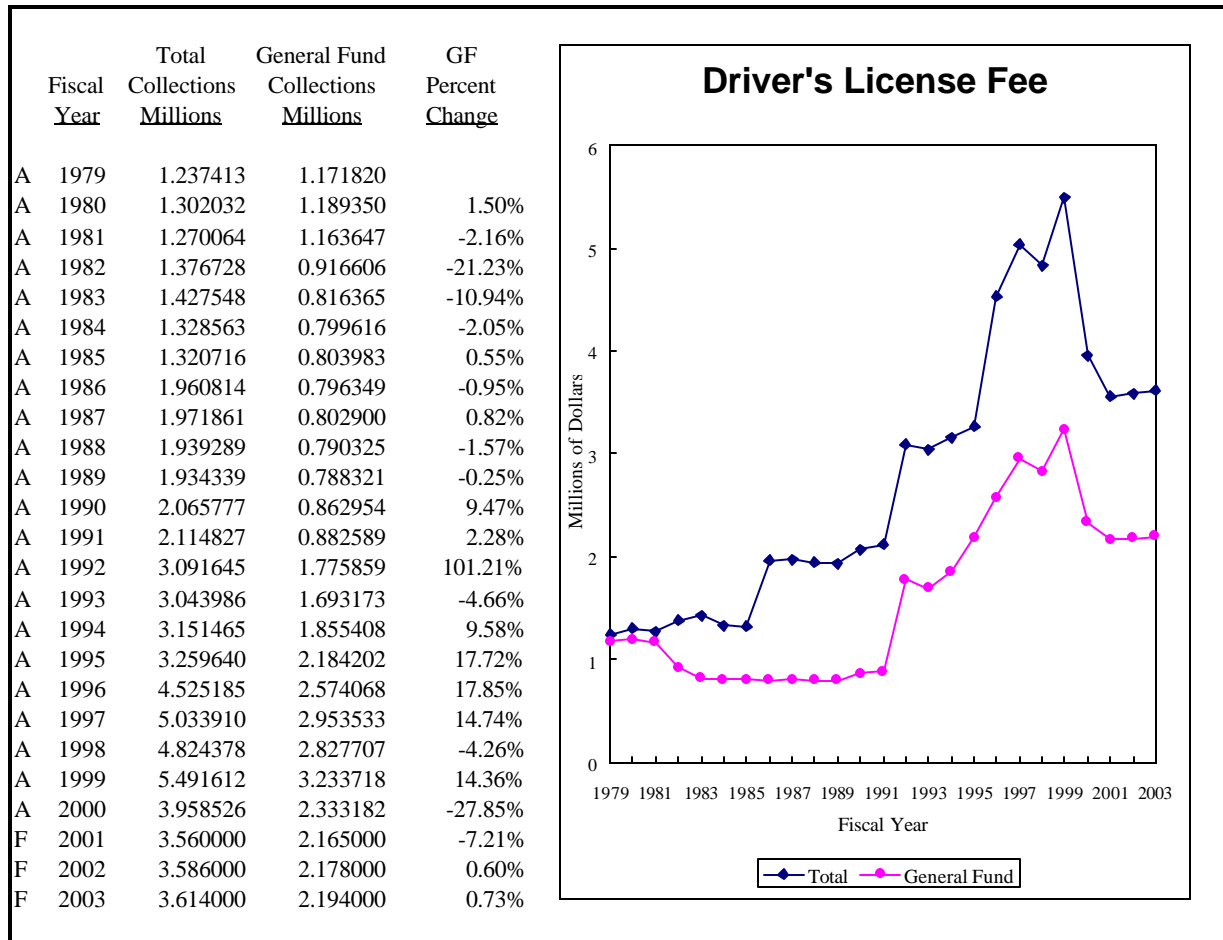
**% of Total FY 2000 General Fund Revenue:** 0.20%

# Legislative Fiscal Division

## Revenue Estimate Profile

### Driver's License Fees

#### Revenue Projection:



#### Revenue Estimate Assumptions:

	t	Total Tax	GF Fee	GF Fee	GF Fee	GF Fee	GF Fee	GF Fee
	Fiscal	Millions	Millions	Licenses	Duplicates	Cycle	Interstate	Intrastate
				Millions	Millions	Millions	Millions	Millions
Actual	2000	3.958526	2.333182	1.893082	0.032885	0.013929	0.289246	0.064534
Forecast	2001	3.560000	2.165000	1.594463	0.066920	0.021483	0.395134	0.087372
Forecast	2002	3.586000	2.178000	1.605868	0.068659	0.021457	0.395134	0.087372
Forecast	2003	3.614000	2.194000	1.619554	0.070921	0.021488	0.395134	0.087372

License Count Millions	t	Proxy Licenses	Proxy Duplicates	Proxy Cycle	Proxy Interstate	Proxy Intrastate	Proxy Cycle Reg.
	Fiscal						
Actual	2000	0.110658	0.025272	0.010240	0.007801	0.002477	0.024511
Forecast	2001	0.087375	0.020271	0.014800	0.009953	0.003144	0.023558
Forecast	2002	0.088000	0.020798	0.014782	0.009953	0.003144	0.024233
Forecast	2003	0.088750	0.021483	0.014803	0.009953	0.003144	0.024282



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## Legislative Fiscal Division

### Revenue Estimate Profile

#### Driver's License Fees

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<u>GF Fee</u> <u>Rate in \$'s</u>	<u>t</u> <u>Fiscal</u>	<u>Proxy</u> <u>Licenses</u>	<u>Proxy</u> <u>Duplicates</u>	<u>Proxy</u> <u>Cycle</u>	<u>Proxy</u> <u>Interstate</u>	<u>Proxy</u> <u>Intrastate</u>	<u>Proxy</u> <u>Cycle Reg.</u>
Actual	2000	17.107500	1.301250	1.360230	37.078125	26.053125	0.000000
Forecast	2001	18.248500	3.301250	1.451580	39.700000	27.790000	0.000000
Forecast	2002	18.248500	3.301250	1.451580	39.700000	27.790000	0.000000
Forecast	2003	18.248500	3.301250	1.451580	39.700000	27.790000	0.000000

<u>Total Fee</u> <u>Rate in \$'s</u>	<u>t</u> <u>Fiscal</u>	<u>Proxy</u> <u>Licenses</u>	<u>Proxy</u> <u>Duplicates</u>	<u>Proxy</u> <u>Cycle</u>	<u>Proxy</u> <u>Interstate</u>	<u>Proxy</u> <u>Intrastate</u>	<u>Proxy</u> <u>Cycle Reg.</u>
Actual	2000	30.0000	5.0000	3.7500	37.5000	26.2500	5.0000
Forecast	2001	32.0000	5.0000	4.0000	40.0000	28.0000	5.0000
Forecast	2002	32.0000	5.0000	4.0000	40.0000	28.0000	5.0000
Forecast	2003	32.0000	5.0000	4.0000	40.0000	28.0000	5.0000

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# Legislative Fiscal Division

## Revenue Estimate Profile

### Liquor Excise and License Tax

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**Revenue Description:** The Department of Revenue (DOR) is authorized to sell liquor to retail liquor establishments throughout the state. These sales result in profits and taxes that are deposited in various state and local accounts. An excise tax is collected both on liquor sold by DOR and for liquor purchased outside the state, by airlines and railroads (carriers), for consumption within the state. The department also collects a license tax on the sale of liquor. A small portion of the excise tax revenue is returned to Indian tribes per an agreement with the department.

#### **Applicable Tax Rate(s):**

##### Excise Tax Rate:

16.0% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed, and sold more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax.

13.8% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed, and sold not more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax.

The amount of excise taxes paid by carriers includes additional factors related to departures and passenger miles.

##### License Tax Rate:

10.0% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax.

8.6% of the retail selling price on all liquor sold and delivered in the state by a company that manufactured, distilled, rectified, bottled, or processed and that sold not more than 200,000 proof gallons of liquor nationwide in the calendar year preceding imposition of the tax.

The license tax must be charged and collected on all liquor brought into the state and taxed by DOR. The retail selling price must be computed by adding to the cost of the liquor the state markup as designated by the department. The license tax must be figured in the same manner as the state excise tax and is in addition to the state excise tax.

#### **Distribution:**

Excise tax revenue, less amounts distributed to Indian tribes, is deposited in the enterprise fund for transfer to the general fund.

License tax revenue is allocated:

- ?? 30.0% to counties who then distribute the revenue to cities and towns based on the proportion of gross sale of liquor in each city or town to the gross sale of liquor in the county.
- ?? 4.5% to counties based on the amount of liquor purchased in the county.
- ?? 65.5% to the Department of Public Health and Human Services for alcohol treatment and rehabilitation programs and for distribution to cities, towns, and counties.

The allocations to counties are statutorily appropriated to DOR.

**Statute:** Title 16, Chapter 1, MCA

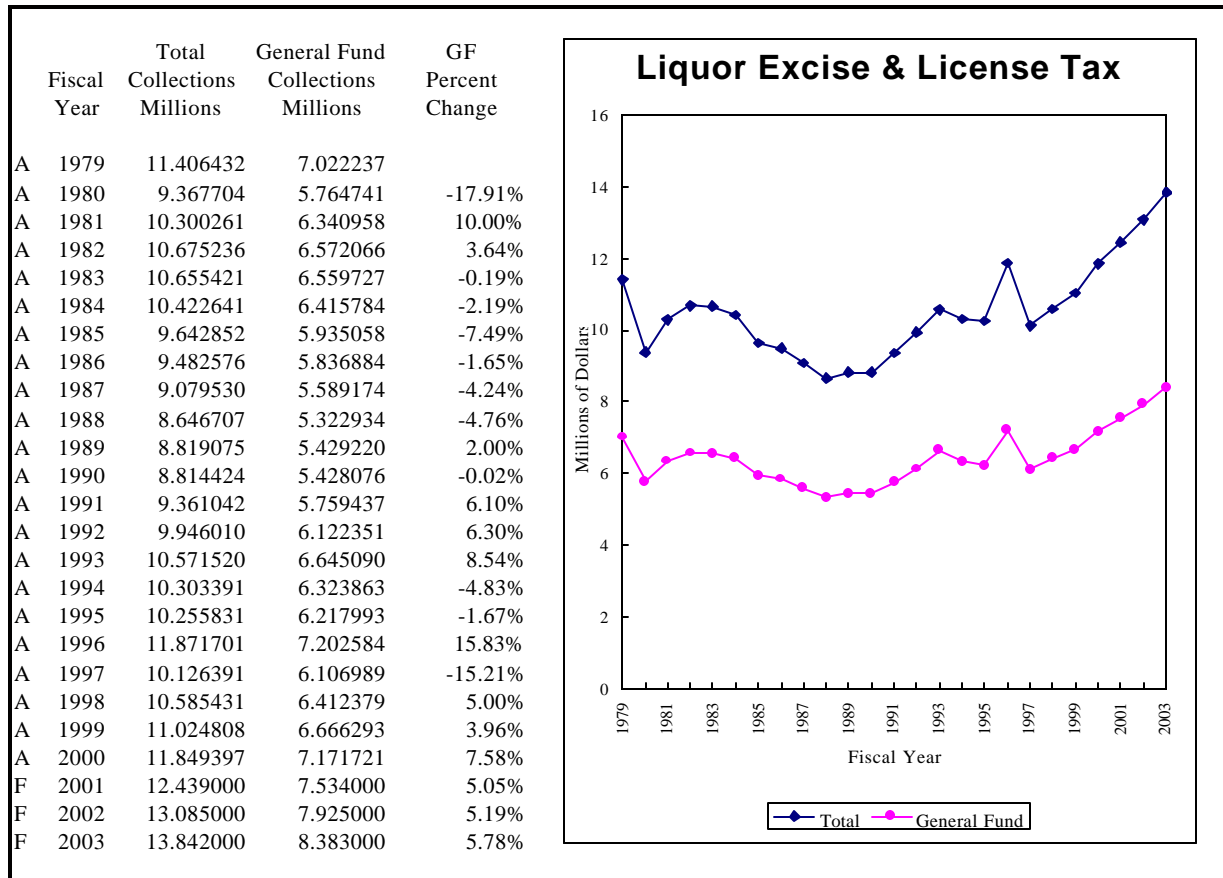
**% of Total FY 2000 General Fund Revenue:** 0.62%

# Legislative Fiscal Division

## Revenue Estimate Profile

### Liquor Excise and License Tax

#### Revenue Projection:



#### Revenue Estimate Assumptions:

	t Fiscal	Total Tax Millions	GF Tax Millions	Tribal Millions	Gross Sales	Excise Rate	License Rate
Actual	2000	11.849397	7.171721	0.118276	57.359188	0.160000	0.100000
Forecast	2001	12.439000	7.534000	0.124000	60.281007	0.160000	0.100000
Forecast	2002	13.085000	7.925000	0.131000	63.414052	0.160000	0.100000
Forecast	2003	13.842000	8.383000	0.138000	67.079575	0.160000	0.100000

# Legislative Fiscal Division

## Revenue Estimate Profile

### Liquor Profits

**Revenue Description:** The Department of Revenue (DOR) is authorized to sell liquor and wine to retail liquor establishments throughout the state. These sales result in profits and taxes that are deposited in various state and local accounts. Tax revenues generated from liquor excise and license taxes, as well as wine taxes, are estimated under separate methodologies.

Liquor profits received by the state are primarily generated by a mark-up on the sale of liquor and wine, less costs such as commissions and discounts. A 40.0 percent mark-up is added to the state's base cost for liquor. The state's mark-up on wine (excluding hard cider) varies according to the size of the container and whether or not it is fortified wine or table wine. The mark-up percentage for both liquor and wine is determined by administrative rule (see ARM 42.11.104).

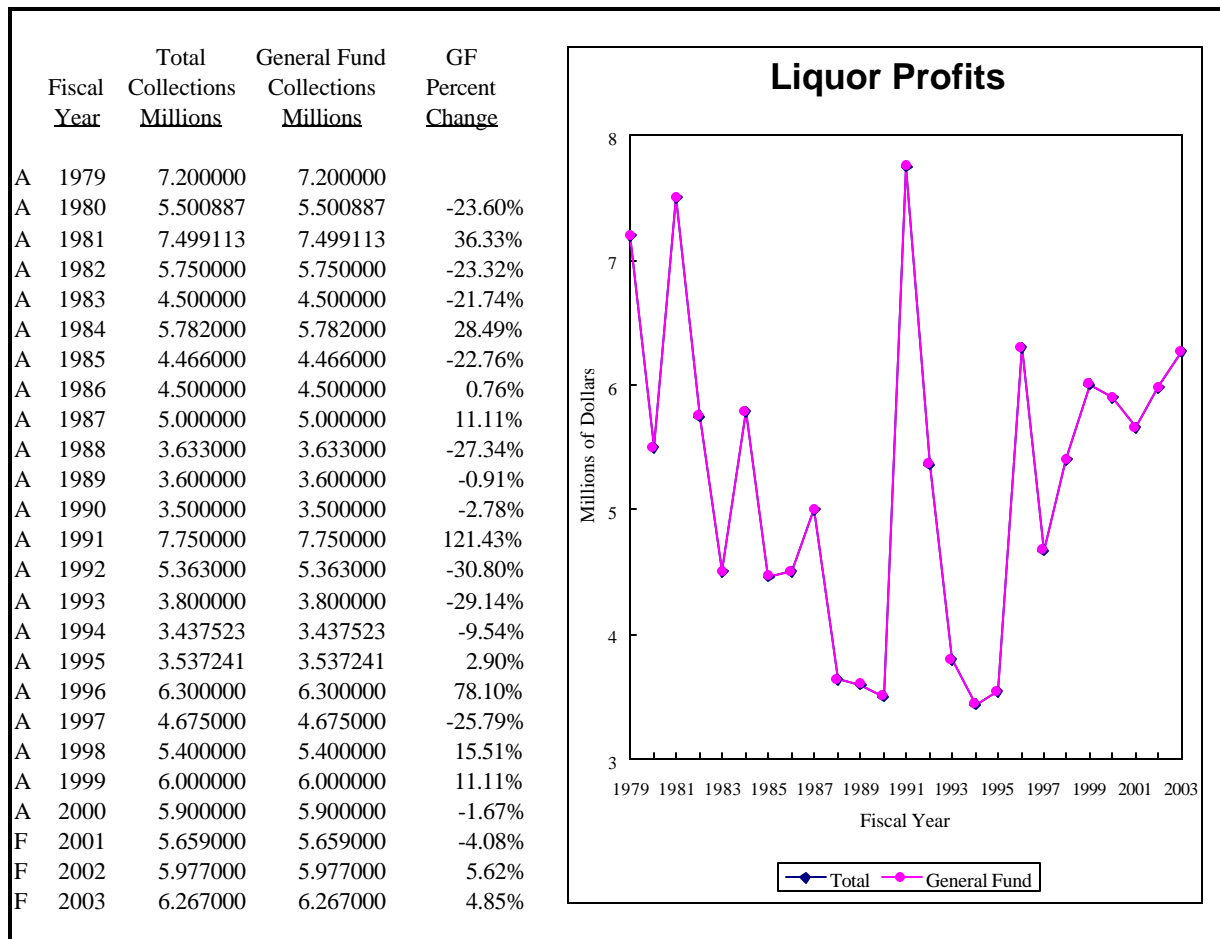
**Applicable Tax Rate(s):** N/A

**Distribution:** Liquor profits are usually deposited in the general fund annually.

**Statute:** Title 16, Chapter 2, MCA

**% of Total FY 2000 General Fund Revenue:** 0.51%

**Revenue Projection:**



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## Legislative Fiscal Division

### Revenue Estimate Profile

### Liquor Profits

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#### Revenue Estimate Assumptions:

	t	Total Profit	Gross	Excise/Lic	Dis/Comm	Cost of	Operation	Other
	Fiscal	Millions	Sales	Tax	Millions	Goods	Costs	Income
Actual	2000	5.900000	57.359188	11.836023	5.894744	32.845870	1.166631	0.042969
Forecast	2001	5.659000	60.281007	12.438938	6.195016	34.519000	1.194281	0.042969
Forecast	2002	5.977000	63.414052	13.085439	6.516996	36.313090	1.274782	0.042969
Forecast	2003	6.267000	67.079575	13.841817	6.893698	38.412096	1.284364	0.042969

# Legislative Fiscal Division

## Revenue Estimate Profile

### Lottery Profits

**Revenue Description:** The Montana state lottery was enacted by legislative referendum and became effective January 1, 1987. The first lottery game was launched in June 1987. A lottery is generally defined as “any procedure in which one or more prizes are distributed among persons who have paid for a chance to win a prize”. The games are administered by the Department of Commerce. By law, a minimum of 45.0 percent of the money paid for tickets or chances must be paid out as prize money.

Lottery revenue is derived from ticket sales, sales agents license fees, and unclaimed prizes. Revenue is initially deposited into an enterprise fund known as the state lottery fund.

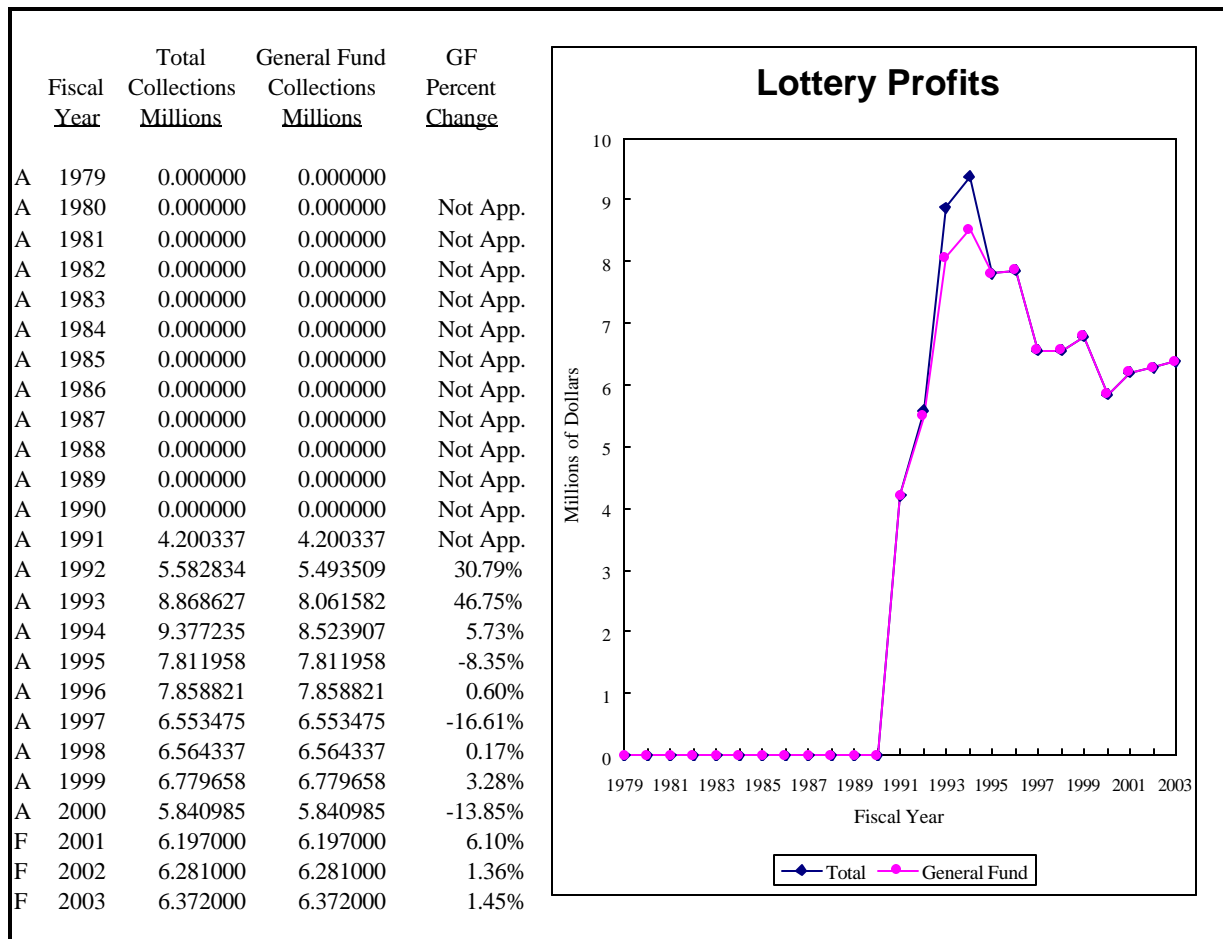
**Applicable Tax Rate(s):** There is no actual tax rate involved. However, applicants for sales agent licenses are charged a \$50.00 fee to cover the cost of investigating and processing the applications.

**Distribution:** All gross lottery revenue not used for prizes, commissions, and operating expenses, together with the interest earned (on the gross revenue while the gross revenue is in the enterprise fund), is considered net revenue. This net revenue is transferred to the general fund. Senate Bill 55, passed by the 1999 legislature, requires the Department of Commerce to submit a 2003 biennium budget for the lottery enterprise fund for appropriation by the legislature. By controlling the appropriations, the legislature has better control over the amount transferred to the general fund.

**Statute:** Title 23, Chapter 7, MCA

**% of Total FY 2000 General Fund Revenue:** 0.50%

#### Revenue Projection:



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## Legislative Fiscal Division

### Revenue Estimate Profile

### Lottery Profits

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#### Revenue Estimate Assumptions:

	t Fiscal	Total Profit Millions	GF Profits Millions	Sales Millions	Interest Millions	Other Millions	Operating Millions	Prizes Millions
Actual	2000	5.840985	5.840985	29.899809	0.278620	0.075465	7.008184	17.320959
Forecast	2001	6.197000	6.197000	30.317587	0.322175	0.084798	6.964292	17.562978
Forecast	2002	6.281000	6.281000	30.554179	0.327518	0.082240	6.982517	17.700036
Forecast	2003	6.372000	6.372000	30.824570	0.314138	0.081709	6.991085	17.856673

# Legislative Fiscal Division

## Revenue Estimate Profile

### Motor Vehicle Fee

**Revenue Description:** In accordance with statute, the state assesses a variety of motor vehicle fees, such as: vehicle registration fees, fees for the filing of motor vehicle liens, fees for license plates title fees, and a motor vehicle computer fee. The fees vary according to the type of vehicle (i.e., motor vehicle, snowmobile, etc.) and the type of license plate (regular, personal, military, etc.).

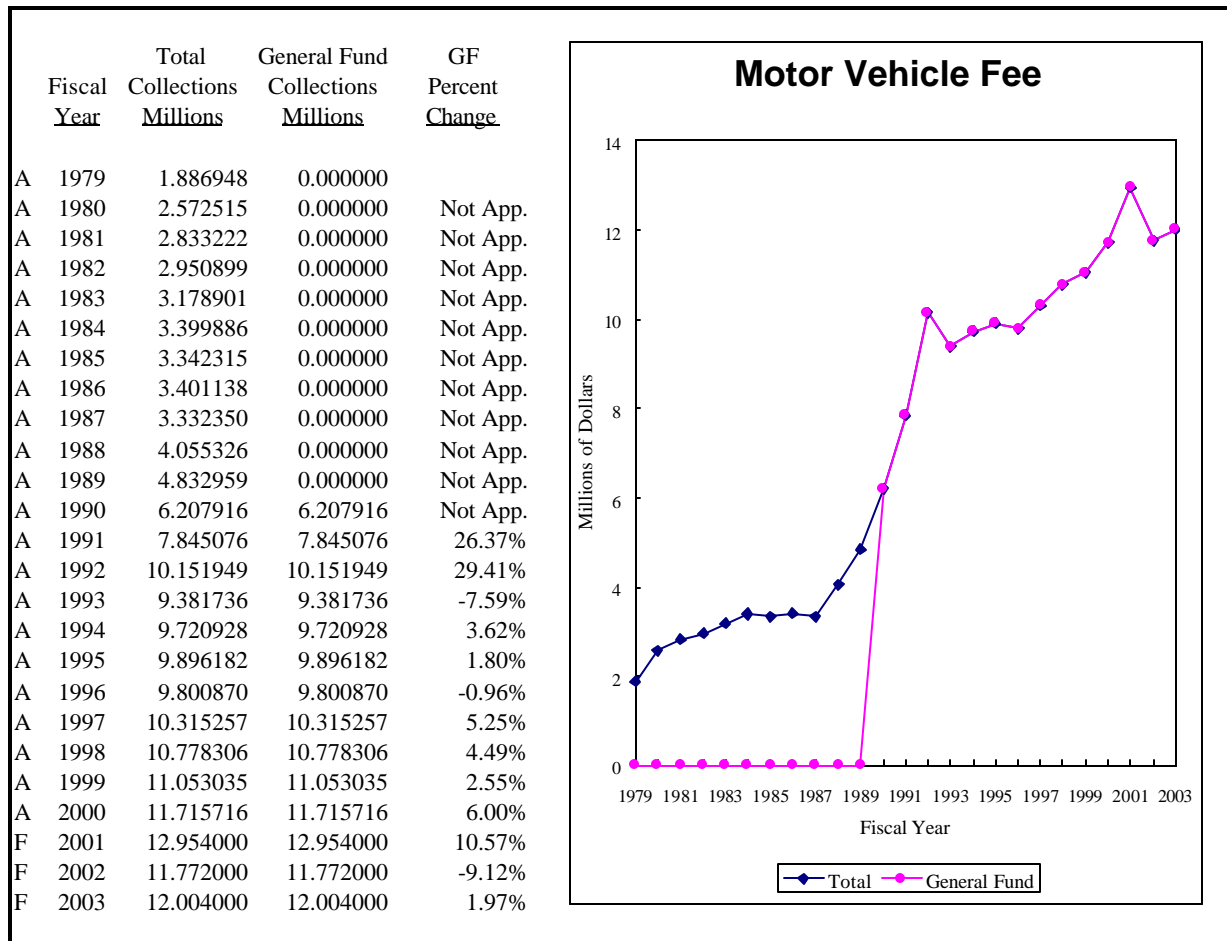
**Applicable Tax Rate(s):** Various

**Distribution:** Motor vehicle fees are allocated to the general fund, to state special revenue accounts, and to local governments.

**Statute:** Title 61, Chapter 3, MCA.

**% of Total FY 2000 General Fund Revenue:** 1.01%

#### Revenue Projection:





# Legislative Fiscal Division

## Revenue Estimate Profile

### Motor Vehicle Fee

#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	GF Fee	GF Fee	GF Fee	GF Fee
	Fiscal	Millions	Millions	Registration	Record	Titles	Personal
				Millions	Millions	Millions	Millions
Actual	2000	11.715716	11.715716	6.233271	0.629295	1.292338	0.727670
Forecast	2001	12.954000	12.954000	6.353854	0.637684	1.299159	0.750724
Forecast	2002	11.772000	11.772000	6.476769	0.646185	1.306016	0.774508
Forecast	2003	12.004000	12.004000	6.602062	0.654799	1.312909	0.799046

	t	GF Fee	GF Fee	GF Fee	GF Fee
	Fiscal	New Plate	Computer	\$.25	Other
		Millions	Millions	Millions	Millions
Actual	2000	0.856821	1.304458	0.299821	0.372042
Forecast	2001	1.873613	1.344090	0.309606	0.385140
Forecast	2002	0.465246	1.384926	0.319710	0.398699
Forecast	2003	0.465304	1.427003	0.330144	0.412736

	t	GF Fee	GF Fee	GF Fee	GF Fee
	Fiscal	Registration	Record	Titles	Personal
		<u>Growth Rate</u>	<u>Growth Rate</u>	<u>Growth Rate</u>	<u>Growth Rate</u>
Actual	2000	3.2150%	-0.0519%	2.1117%	4.8659%
Forecast	2001	1.9345%	1.3331%	0.5278%	3.1682%
Forecast	2002	1.9345%	1.3331%	0.5278%	3.1681%
Forecast	2003	1.9345%	1.3331%	0.5278%	3.1682%

	t	GF Fee	GF Fee	GF Fee	GF Fee
	Fiscal	New Plate	Computer	\$.25	Other
		<u>Growth Rate</u>	<u>Growth Rate</u>	<u>Growth Rate</u>	<u>Growth Rate</u>
Actual	2000	84.1881%	2.8335%	5.4012%	-8.5040%
Forecast	2001	118.6703%	3.0382%	3.2636%	3.5206%
Forecast	2002	-75.1685%	3.0382%	3.2635%	3.5205%
Forecast	2003	0.0125%	3.0382%	3.2636%	3.5207%

# Legislative Fiscal Division

## Revenue Estimate Profile

### Tobacco Tax

**Revenue Description:** A tax of 12.5 percent of the wholesale price of tobacco products other than cigarettes is collected by the Department of Revenue (DOR). The tax is considered to be a direct tax on retail consumers, but is collected by the wholesaler. Tobacco products shipped from Montana and destined for retail sale and consumption outside the state are not subject to the tax. The wholesaler must pay DOR the taxes in full less a 5.0 percent discount for the wholesaler's collection and administrative expense. The wholesaler is entitled to a refund for tobacco products that remain unsold.

The state has a tobacco agreement with only one tribe in Montana. In the agreement with the Blackfeet Tribe, the state collects a tax imposed by the Tribe and forwards the revenue to the Tribe. Indian consumers of tobacco on other reservations pay the tobacco tax.

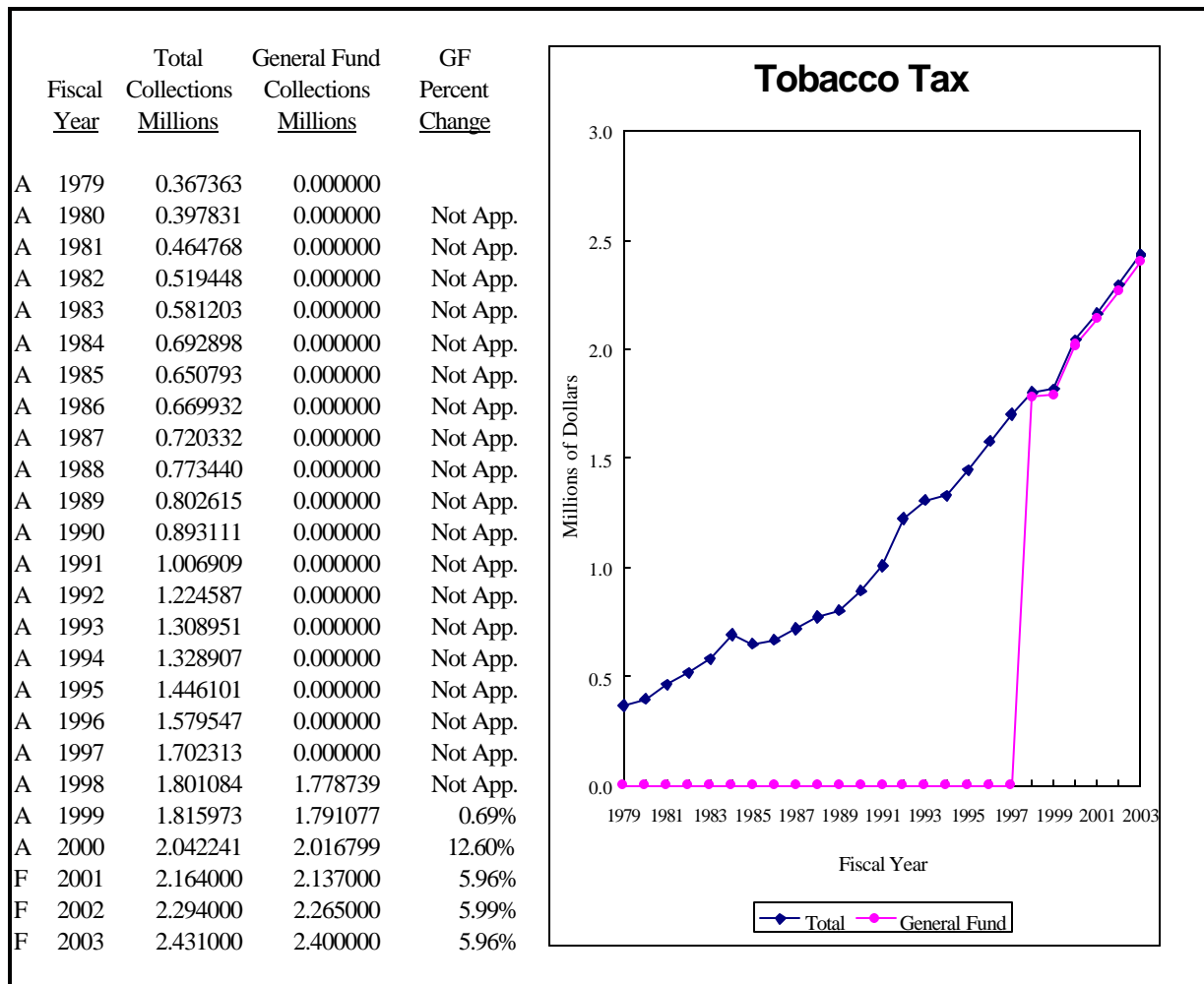
**Applicable Tax Rate(s):** The tax is 12.5 percent of the wholesale price of (non-cigarette) tobacco products.

**Distribution:** All proceeds, less distributions paid according to tribal agreements, are deposited into the general fund.

**Statute:** Title 16, Chapter 11, MCA

**% of Total FY 2000 General Fund Revenue:** 0.17%

#### Revenue Projection:



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## Legislative Fiscal Division

### Revenue Estimate Profile

#### Tobacco Tax

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Tribal	Value	Tax Rate
	Fiscal	Millions	Millions	Millions	Millions	Percent
Actual	2000	2.042241	2.016799	0.025442	16.337928	12.5000%
Forecast	2001	2.164000	2.137000	0.027373	17.315971	12.5000%
Forecast	2002	2.294000	2.265000	0.029094	18.352403	12.5000%
Forecast	2003	2.431000	2.400000	0.031032	19.451172	12.5000%

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# Legislative Fiscal Division

## Revenue Estimate Profile

### Video Gambling Tax

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**Revenue Description:** Video gambling income is derived from two sources: license fees and video gambling taxes. There are three types of license fees that generate revenue. Numerous fees are paid by operators for both video gambling machines and for non-video games such as poker. In addition, persons pay an annual fee for the right to assemble, produce, or manufacture video gambling machines or associated equipment. The video gambling tax is paid by licensed operators of video gambling machines. License holders are charged a tax of 15.0 percent of the gross income from each licensed video gambling machine. The Department of Justice (DOJ) issues video gambling licenses and permits and collects the fees and taxes.

Only a portion of the video gambling tax is deposited into the general fund.

### Applicable Tax Rate(s):

#### License Fees

- ?? Video Gambling Machine Permit - \$200 annually, \$25 machine transfer processing fee
- ?? Video Gambling Manufacturer License - \$1,000 annually. An additional application fee is charged manufacturers to cover processing costs of the initial application. The manufacture license may be waived by the DOJ if the manufacture is also a licensed distributor or route operator.
- ?? Video Gambling Machine Examination Fee – An amount equal to actual DOJ costs of examining the electronic equipment
- ?? Distributor License - \$1,000 annually. The distributor license may be waived by the DOJ if the distributor is also a licensed operator or manufacturer. An additional application fee is charged distributors to cover processing costs of the initial application.
- ?? Route Operator License - \$1,000 annually. The operator license may be waived by the DOJ if the operator is also a licensed distributor or manufacturer. An additional application fee is charged operators to cover processing costs of the initial application.
- ?? Bingo/Keno Manufacture License - \$1,000 annually. An additional application fee is charged manufacturers to cover processing costs of the initial application.
- ?? Gambling Establishment Operator License – An amount equal to the actual DOJ costs of determining licensure qualifications
- ?? Antique Slot Machine Seller Permit - \$50 annually
- ?? Live Card Game Table - \$250 annually for the first table and \$500 for each additional table
- ?? Card Game Dealer License - \$75 for the first year, \$25 for each subsequent year
- ?? Pinochle Tournament Permit - \$25
- ?? Card Room Contractor License - \$150 annually
- ?? Bingo/Keno Permit - \$250 annually
- ?? Bingo/Keno Examination Fee – An amount equal to actual DOJ costs of examining the electronic equipment
- ?? Sports Tab Game Seller License - \$100 annually. An additional application fee is charged to cover processing costs of the initial application.
- ?? Casino Night Permit - \$25

#### Gambling Taxes

- ?? Video - 15.0% of gross income per video gambling machine
- ?? Bingo/Keno – 1.0% of gross proceeds
- ?? Sport Tabs - \$1.00 for each 100 sport tabs sold

### Distribution:

#### License Fees

All license fee revenue is retained by DOJ to cover administrative costs, except for \$100 of the live card game table fee and \$100 of the video gambling machine permit fee. These amounts are statutorily appropriated for distribution to local governments.

#### Gambling Taxes

Video - One-third of video gambling tax receipts are deposited into the general fund and two-thirds are statutorily appropriated for distribution to the municipality or county in which the machine is located.

Bingo/Keno – All collections are statutorily appropriated for distribution to the municipality or county in which the game is located.

Sport Tabs – All collections are retained by DOJ for administration purposes.

# Legislative Fiscal Division

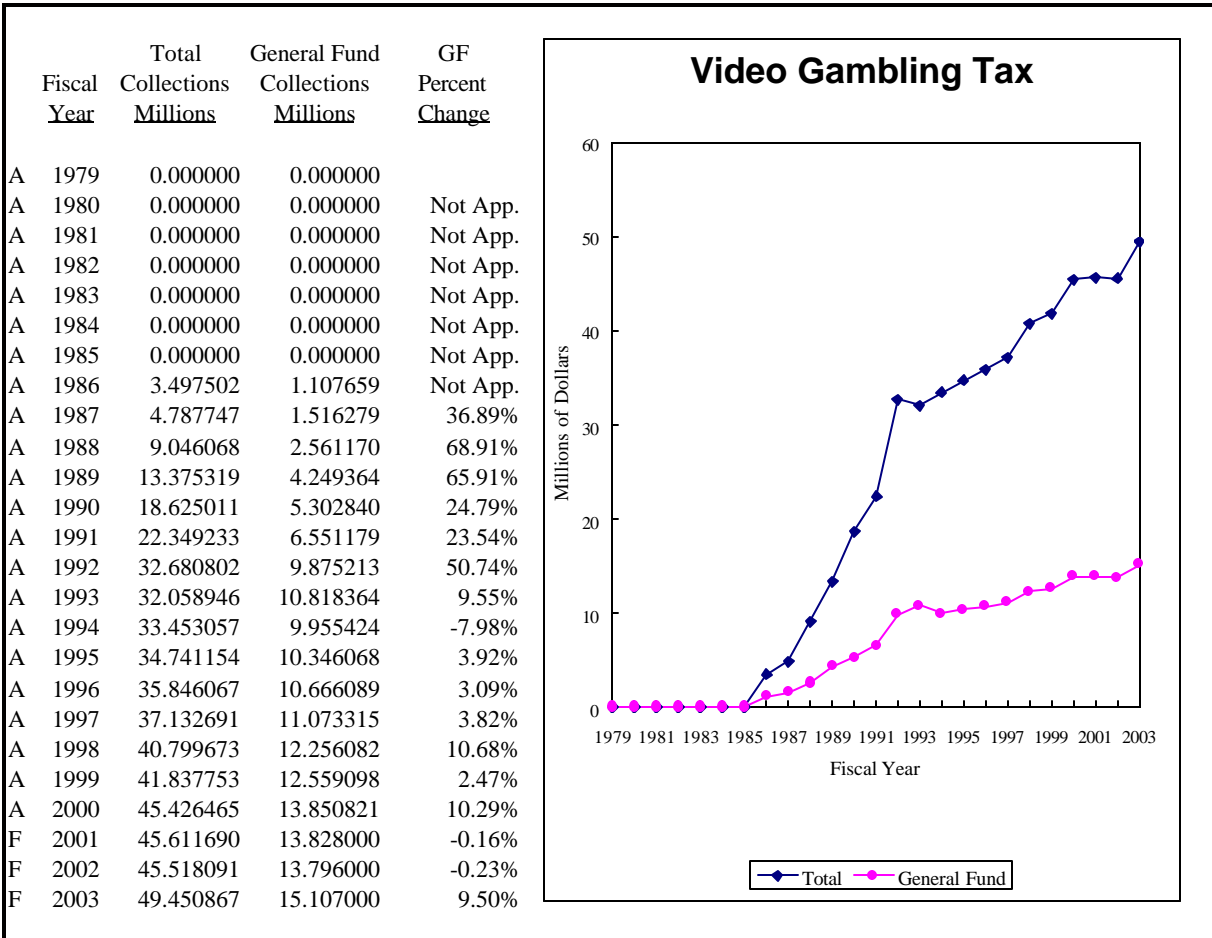
## Revenue Estimate Profile

### Video Gambling Tax

**Statute:** Title 23, Chapter 5, MCA

**% of Total FY 2000 General Fund Revenue:** 1.19%

#### Revenue Projection:



#### Revenue Estimate Assumptions:

	t Fiscal	Total Tax Millions	GF Tax Millions	Net Income Millions	Tax Rate	Net Income	
						Tax Millions	Non GF Fee Millions
Actual	2000	45.426465	13.850821	269.856923	0.150000	41.431382	3.995083
Forecast	2001	45.611690	13.828000	276.551264	0.150000	41.482690	4.129000
Forecast	2002	45.518091	13.796000	283.411671	0.150000	41.389091	4.129000
Forecast	2003	49.450867	15.107000	297.472858	0.150000	45.320867	4.130000

# Legislative Fiscal Division

## Revenue Estimate Profile

### Wine Tax

**Revenue Description:** A wine tax is levied on table wines imported into Montana by wine distributors or by the Department of Revenue (DOR), who is authorized to sell wines to retail liquor establishments throughout the state. A tax is also imposed on hard cider imported by a table wine distributor or DOR. A portion of wine tax revenue is returned to Indian tribes per an agreement between DOR and the tribes.

**Applicable Tax Rate(s):** A tax of \$0.27 is imposed per liter of wine and a tax of \$0.037 per liter is imposed on hard cider. An additional tax of \$0.01 per liter is imposed on table wine sold by a table wine distributor to an agent.

**Distribution:** The \$0.01 per liter tax is deposited into the general fund. Other wine tax revenue is distributed:

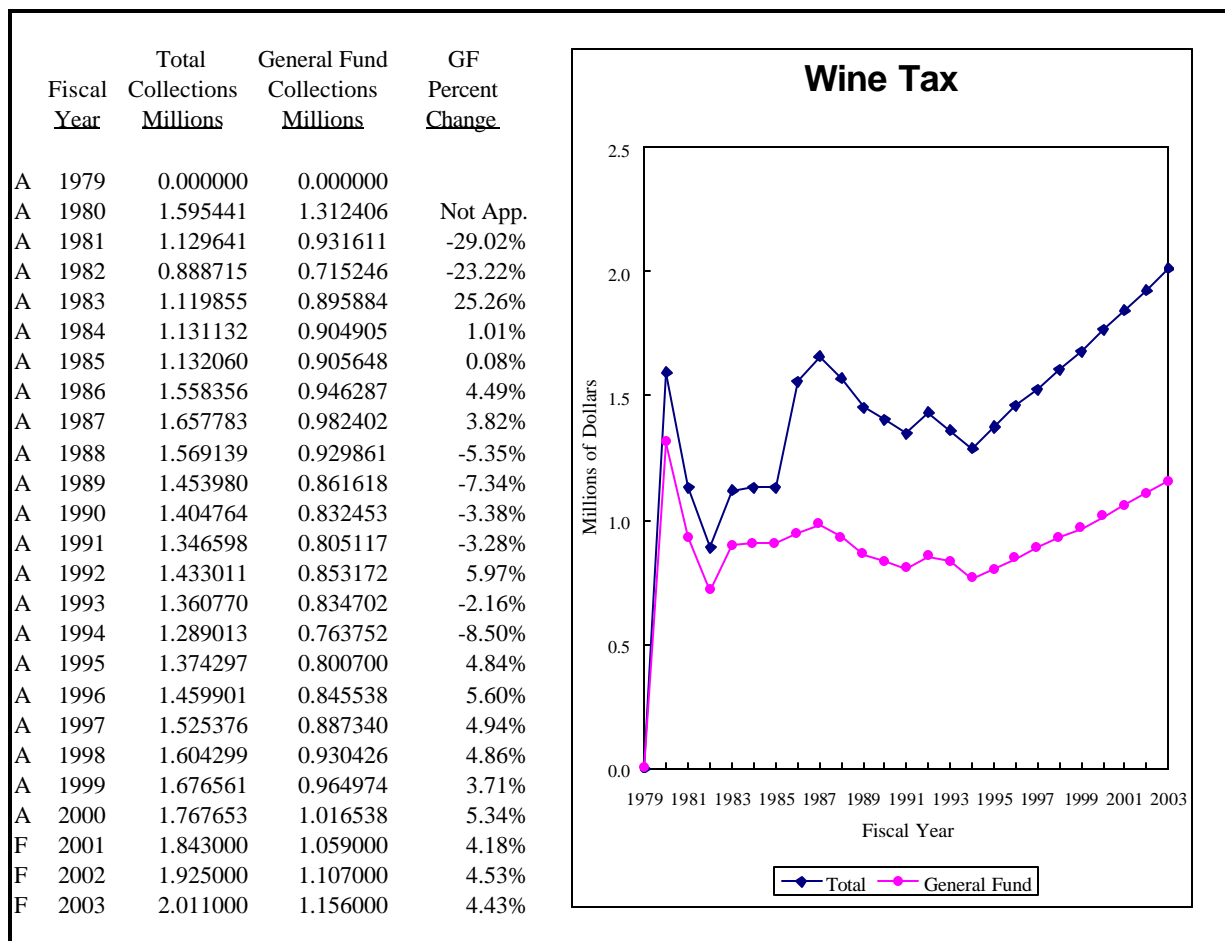
- 59.0% - General Fund
- 31.0% - DPHHS Alcohol Account
- 5.0% - to Counties
- 5.0% - to Cities and Towns

The general fund statutory allocation is reduced by the amount of the tribal agreements.

**Statute:** Title 16, Chapters 1 and 2, MCA

**% of Total FY 2000 General Fund Revenue:** 0.09%

#### Revenue Projection:



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## Legislative Fiscal Division

### Revenue Estimate Profile

#### Wine Tax

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Liters	Tax Rate	GF Percent	Tribal
	Fiscal	Millions	Millions	Millions	Per Liter	Allocation	Millions
Actual	2000	1.767653	1.016538	6.546863	0.270000	0.575078	0.026730
Forecast	2001	1.843000	1.059000	6.824661	0.270000	0.590000	0.028000
Forecast	2002	1.925000	1.107000	7.128661	0.270000	0.590000	0.029000
Forecast	2003	2.011000	1.156000	7.448307	0.270000	0.590000	0.030000

